

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Edward A. Garvey
Joel Jacobs
Marshall Johnson
LeRoy Koppendrayer
Gregory Scott

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of an Investigation into Whether
Telecommunications Resources, Inc. Is
Offering Unauthorized Interexchange or Pre-
paid Card Services

ISSUE DATE: May 27, 1999

DOCKET NO. P-5386/C-98-1440

ORDER FINDING VIOLATION AND
REFERRING MATTER TO ATTORNEY
GENERAL

PROCEDURAL HISTORY

On March 26, 1997, the Commission allowed Telecommunications Resources, Inc. (TRI or the Company) to withdraw its request for a certificate of authority to resell long distance and directory assistance services.¹ The Company did not resubmit a request for a certificate of authority.

On October 2, 1998, Edward William Garret filed a complaint with the Commission. Mr. Garrett alleged that TRI had terminated his prepaid calling card, without explanation, on September 18, 1998. Mr. Garrett stated that he did not wish to receive further service from the Company and requested a refund of \$38.92 for an alleged overbilling.

On October 16, 1998, TRI filed a letter refuting Mr. Garrett's claim for the \$38.92. According to TRI, Mr. Garrett had received and paid bills totaling \$320 for telephone use worth \$428.88. Mr. Garrett had rejected two further billings from TRI before the Company terminated service.

On December 23, 1998, the Department of Public Service (the Department) filed comments. The Department recommended that the Commission find that TRI had knowingly and intentionally provided unauthorized service, in violation of Minn. Stat. § 237.74, subd. 12. The Department further recommended that the Commission order all local exchange companies, telecommunications carriers, and alternative service companies to discontinue intrastate services provided to the Company.

On May 18, 1999, the matter came before the Commission for consideration.

¹In the Matter of a Request by Telecommunications Resources, Inc. for a Certificate of Authority to Resell Long Distance and Directory Assistance Services, Docket No. P-5386/NA-96-860, ORDER ALLOWING WITHDRAWAL OF PETITION.

FINDINGS AND CONCLUSIONS

I. TRI'S UNAUTHORIZED PROVISION OF SERVICE

Minn. Stat. § 237.74, subd. 12, requires a telecommunications carrier to obtain Commission certification before offering service in Minnesota.

In 1996, TRI applied for Minnesota authority to resell long distance service pursuant to Minn. Stat. § 237.74. TRI subsequently withdrew its application and did not receive certification to provide service.

From approximately January through September, 1998, TRI provided prepaid calling card long distance service to Edward Garrett in Minnesota.

The Department investigated Mr. Garrett's complaint regarding termination of service and found that TRI had provided unauthorized long distance service to Mr. Garrett, in contravention of Minn. Stat. § 237.74, subd. 12. The Department recommended that the Commission find that TRI had knowingly and intentionally violated the statute and order all local exchange companies, telecommunications carriers and alternative operator service companies to cease providing services to TRI in Minnesota.

From these facts, the Commission concludes that TRI did knowingly and intentionally violate Minn. Stat. § 237.74, subd. 12 by providing unauthorized service to Mr. Garrett. The fact that TRI submitted, then withdrew, a certification petition indicates that the Company was aware of the state regulatory requirements but chose to act outside of them.

Pursuant to Minn. Stat. § 237.74, subd. 12, the Commission will refer this matter to the Office of Attorney General for possible pursuit of civil penalties.

To ensure that TRI does not respond to other customer inquiries by offering unauthorized service, the Commission will herewith order all local exchange carriers to cease providing to TRI any intrastate billing and collection services, or other intrastate services. The Commission will also order all telecommunications carriers and alternative operator services companies to discontinue intrastate services provided to TRI.

II. THE REQUEST FOR A REFUND

In his complaint, Edward Garrett alleged that TRI had overbilled him by \$38.92. TRI responded with a billing summary and call detail showing that Mr. Garrett had paid TRI \$320.00 for \$428.88 worth of long distance services. Mr. Garrett did not respond to TRI's filing.

Upon filing a complaint of overbilling against a telephone company, Mr. Garrett has the burden of producing sufficient proof to sustain a finding in his favor. Mr. Garrett has failed to produce any documentation to support his allegation of an overbilling by TRI.

The Commission will deny Mr. Garrett's request for a refund.

ORDER

1. The Commission finds that Telecommunications Resources, Inc. knowingly and intentionally violated Minn. Stat. § 237.74, subd. 12 by providing unauthorized service to Edward Garrett. The Commission refers this matter to the Office of Attorney General for possible pursuit of civil penalties.
2. The Commission orders all local exchange carriers to cease providing to TRI any intrastate billing and collection services, or other intrastate services. The Commission also orders all telecommunications carriers and alternative operator services companies to discontinue intrastate services provided to TRI.
3. The Commission denies Edward Garrett's request for a refund.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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